***Ex Parte* Submission**

December 18, 2006

The Honorable Kevin J. Martin
Chairman
Federal Communications Commission
445 12th St SW
Washington, D.C. 20554

Re: WT Docket Nos. 96-86, 06-150, and 06-169

Dear Chairman Martin:

Intel Corporation ("Intel") is filing this *ex parte* letter to reiterate our support for the Upper 700 MHz Band "Broadband Optimization Plan" ("BOP"), as described in Intel's joint Comments and Reply Comments with Access Spectrum LLC ("Access Spectrum"), Pegasus Communications Corporation ("Pegasus"), and Columbia Capital III, LLC, filed in WT Docket No. 96-86 on June 6, 2006 and July 6, 2006, respectively. BOP would enable flexible deployment choice of broadband technologies in the 24 MHz allocated to public safety, including the capability to deploy aspects of other plans proposed in that proceeding. BOP also would give the public safety Regional Planning Commissions more flexibility than any of the other proposals submitted in WT Docket No. 96-86.

A key element of BOP and the related Access Spectrum/Pegasus Plan, as described in the companies' joint *ex parte* submission filed in WT Docket Nos. 96-86, 06-150, and 06-169 on November 30, 2006, is repurposing the guard band spectrum in the A and B blocks. BOP proposes to contribute 3 MHz from the existing B block to public safety, and combine the remaining 1 MHz from the existing B block into the existing A block. This reconfiguration would form a new A block totaling 3 MHz (or two 1.5 MHz blocks). The new A block would be relocated in between the existing commercial and public safety spectrum. These modifications will result in more spectrum being allocated for both public safety and commercial use. The amount of commercial spectrum in the Upper 700 MHz band will increase from two 15 MHz blocks to two 16.5 MHz blocks, and Intel supports dividing the two 16.5 MHz blocks into three 5.5 MHz channel pairs. (Three 5.5 MHz channel pairs would give greater flexibility in

technology implementation and business plans – compared to two channel pairs of 5 MHz and 10 MHz each.)[1]

In order to facilitate the commercial auction of the new A block in conjunction with the commercial C and D blocks, Intel supports changing the new A block from its current "restricted commercial" classification to the same classification as the commercial C and D blocks, and implementing two-sided auctions of this spectrum. If the FCC institutes package bidding, Intel also supports the Access Spectrum/Pegasus proposal that the Commission modify the geographic area sizes of the commercial C and D blocks (now EAGs) to the smaller MEAs – the geographic area sizes of the current A and B blocks. These proposed changes would facilitate the auction of the re-banded commercial spectrum.

Two-sided auctions would allow the new A block to be aggregated with the C and D blocks in a single auction. Package bidding of the commercial spectrum in the 700 MHz Band would facilitate more efficient geographic and bandwidth aggregation. Intel believes that package bidding should be permitted on one, two, or all three pairs of 5.5 MHz channels in order to give bidders the latitude to aggregate into 11 MHz or 16.5 MHz paired channel blocks.[2] Intel further recommends that the efficiencies of package bidding should be extended to the lower 700 MHz auctions.

Finally, Intel believes that the Commission has the authority to make the aforementioned modifications within the context of WT Docket Nos. 96-86, 06-169, and 06-150, and urges the FCC to adopt the aforementioned modifications promptly.[3] It is essential that the FCC make these modifications in a timely manner, so as not to violate the Digital Television ("DTV") Transition and Public Safety Act of 2005, which establishes February 17, 2009 as the hard date for the DTV transition and January 28, 2008 as the deadline for the auction of spectrum allocated to commercial use in the 700 MHz Band. While adoption of the rule changes proposed in this letter are important, the Congressionally-mandated DTV transition must remain the priority. Intel believes that, if the

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[1] Also, because the 5.5 MHz channel size would be the same as that of the adjacent public safety channels, any public safety/commercial sharing arrangement would have greater commonality and cost-saving potential.

[2] Intel further suggests that the FCC establish a bounded package bidding system for all commercial 700 MHz spectrum. While package bidding for the Upper 700 MHz band would increase the field of bidders by enabling greater diversity of business model scale and scope, bounded package bidding would also achieves that end in the balance of the Lower 700 MHz spectrum.

[3] Intel would like to note an aspect of the Access Spectrum/Pegasus Plan (discussed on slides 6 and 7 of the companies' November 30, 2006 *ex parte* submission) that it does *not* support. Intel urges the FCC to reject the companies' proposal to "create bidding preference for auction winners of [commercial] spectrum adjacent to the public safety allocation in exchange for allowing public safety free access to the [commercial] infrastructure."

Commission expeditiously implements the aforementioned modifications, both BOP and the DTV transition will be achieved successfully.

Respectfully submitted,

/s/ Marjorie J. Dickman

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Marjorie J. Dickman
Senior Attorney, Government Affairs
Intel Corporation

David M. Horne
Communications Policy Technologist
Intel Corporation